

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between

Fidelity Brokerage Services, Inc.

Claimant

vs.

Robert J. Palese

Respondent

CASE #88-03429

AWARD

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CASE SUMMARY

On November 3, 1988, Claimant, Fidelity Brokerage Services, Inc., filed this claim and alleged that Respondent, Robert J. Palese, who maintained an account with it had a debit balance of \$11,507.02. Claimant further alleged that despite requests for payment, said balance remains due and owing.

Respondent maintained that Claimant wrongfully liquidated his account and denied liability on the claim. Respondent interposed a Counterclaim for damages sustained as a result of the wrongful liquidation.

Claimant denied the allegations in the Counterclaim.

RELIEF REQUESTED

Claimant requested that the panel dismiss the Counterclaim, award it \$11,507.02 plus interest from November 27, 1987, and costs of the hearing.

Respondent requested that the panel dismiss the claim and award him \$27,032.00, interest and dividends, costs of the hearing including reasonable attorney's fees and punitive damages.

AWARD

On May 3, 1990 and June 22, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant, on November 7, 1988, and by the Respondent, Robert J. Palese, on April 17, 1989. The hearing was held in New York City, New York and consisted of four sessions. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent's Motion to Amend his Counterclaim is granted.
2. All claims asserted by the Claimant against Respondent are denied.

3. With respect to the Counterclaim, Claimant is hereby liable to Respondent and shall pay him Twenty Seven Thousand and Thirty-Two Dollars and Zero Cents (\$27,032.00).
4. No interest is awarded on the above amount.
5. The parties shall each bear their respective costs.
6. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant and Claimant is further assessed \$400.00.
7. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent is assessed \$800.00 in filing fee. Respondent is further assessed \$200.00 pursuant to Section 30 of the Code of Arbitration Procedure.
8. All costs shall be made payable to the NASD, Inc. through its staff counsel.

OTHER ISSUES

Prior to the hearing, Respondent moved to amend his Counterclaim.

ARBITRATOR CONCURRING


Paul E. Barr

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Dated: ~~June~~ 2, 1990

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ARBITRATOR CONCURRING


Michael S. Blass

Dated: June 29, 1990

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OTHER ISSUES

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ARBITRATOR CONCURRING

Michael A. Levy

Dated: June 29, 1990